

ROUTING AND RECORD SHEET

SUBJECT: (Optional)						
FROM: Executive Officer to the DD/M&S		EXTENSION	NO. DD/M&S Registry File Meetings			
			DATE 21 February 1974			
TO: (Officer designation, room number, and building)	DATE <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">RECEIVED</th> <th style="width: 50%;">FORWARDED</th> </tr> </table>		RECEIVED	FORWARDED	OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
RECEIVED	FORWARDED					
1. Mr. Blake				1 & 3: The attached package includes suggestions from [] and members of the DD/M&S Staff, including [] I have requested "before and after" organizational charts and personnel strength figures for March 1973--March 1974, so that graphs may be prepared. The 21 items listed in "General Comments and Potential Questions" contain some significant topics of interest, and it may be that the DD/M&S will want to focus on some of these, rather than waiting for questions. Will be glad to discuss the entire package and make any changes you desire. Note that I did not ask Walt Elder for an input.		
2.						
3. Mr. Brownman		20 MAR 1				
4.						
5. <i>Registry - File</i>						
6.				[] LJD Atts <i>Registry - Pls pass for possible future needs.</i> []		
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STATE OF THE DIRECTORATE MEETING

1. Theme

Dramatic change. In the first six months of 1973, we had the appointment of two Directors, there have been key personnel changes at both the directorate and office levels, two major directorates, DD/M&S and DDO, were renamed to more definitively describe their missions, and there has been a withdrawal from a major role in paramilitary activities. There has also been the effect of Watergate.
2. DD/M&S Staff
 1. Reduction in size
 2. Reorganization
 3. Management by Objective
 4. More with less philosophy
3. Office of Communications
 1. Automated Communications Terminal (ACT) April 1973
 2. MAX-1A, automated message switching system, [] late 1973 STAT
 3. ARS, Automatic Relay System for small stations, [] June 1973 STAT
 4. CAFT, Computer Assisted Field Terminal, assemble and tested in 1973
 5. SKYLINK - Launch in December 1973; operational in March 1974
4. Office of Logistics
 1. Closure of [] May 1973 STAT
 2. Termination of Special Projects Unit, June 1973
 3. Supply Division Reorganization
 4. [] study completed STAT
 5. Energy Crisis, paper shortage, etc.
 6. Air Advisor responsibility

-2-

5. Office of Personnel

1. Agency Personnel Management and Evaluation System
2. Annual Personnel Plan
3. Personnel Development Program
4. Black applications (External and Internal)
5. Retirements/Surplus Exercises
6. Alcohol Program
7. Letters of Instruction

6. Office of Joint Computer Support

1. OCS/DDS&T to OJCS/DDM&S, 1 April 1973
2. SIPS to MAP and reevaluation of DDM&S priorities
3. Major reorganization in July 1973
4. Iams/Fitzwater changeover in November/December 1973.
5. Consolidation of CRS Computer Processing, November 1973
6. Computer Centers. Increase in 1973 from 150 to 250.
7. Allocation of computer resources to user offices
8. Discussions with DDO/ISG re computer ops in early 1974
9. Computer Systems Development. Mass Storage System.
10. Increase in special ADP courses and after-hours program

7. Office of Security
1. Major reorganization - June-August 1973
 2. STAT
 3. Autoscan
 4. The Badge Machine
 5. Countering the Terrorist Threat
8. Office of Training
1. Major reorganization
 2. Off-Campus Program
 3. Eminent Speakers Program
 4. Information Science Training
 5. Career Training Program
 6. Word Processing Center, Modular Concept, Language Training
9. Office of Medical Services
1. Multiphasic Testing
 2. Selection and Screening Program, Assessment Centers
 3. Psychiatric Profiles
10. Office of Finance
1. Inbound commuted travel allowance tables
 2. Financial Management Course, Nov-Dec. 1973
 3. Data Access Center at Key Building
 4. Implementation of new payroll system
 5. EAF, UBLIC and WAEPA deductions
11. Information Systems Analysis Staff
1. Experimental copying center
 2. Experimental word processing centers
 3. Implementation of the review portion of Executive Order 11652

12. The Agency History Program

1. Past policies and procedures
2. Major thrust of current programs

GENERAL COMMENTS AND POTENTIAL QUESTIONS

1. Personnel reductions, past, present, and future. Personnel ceilings. Contract ceilings.
2. Changing role of the Agency in Government.
3. The impact of the energy crisis. External influences which are impacting on the Agency. Economic conditions. Energy conservation measures by OL.
4. The role of the Management and Services Directorate in the Agency. WEC statement at Records Conference about DDM&S "managing the Agency."
5. The effect of reductions on DDM&S mission and functions. The size of the directorate in the future.
6. The Directorate overseas posture, and what it looks like in the future.
7. The direction of DDM&S in the Equal Employment Opportunity Program. What are we really accomplishing for Blacks and females?
8. The effect on the Directorate in not having the Comptroller's Office.
9. The need for more timely financial information worded for top management to plan financial resources. The role of the budget office in this.
10. Reducing administrative paperwork so that the offices can accomplish their primary missions with fewer people.
11. The Letter of Instruction (LOI) exercise and the way it was handled. Their relationship to fitness reports; progress on Agency-wide implementation; reasons for different LOI completion target dates for other directorates.
12. A discussion of OJCS computer system plans for the DDM&S offices. Establishment of priorities. Improvement of ADP. The role of GSA on ADP procurement.
13. The image of the Management and Services Directorate. The need to get support aspects recognized in the decision-making process. Our general direction.

14. The rotational assignment concept--between offices and directorates. The need for one career service.
15. The acquisition of ISAS and the Historical Staff.
16. Management by Objective. Motivation/Communication. Application at Headquarters and overseas.
17. The functional review exercise in DDM&S. The role of the Associate Deputies in this review.
18. The tendency of the Agency to be more open, and the indications that the days of special exemptions are a thing of the past.
19. Air proprietaries status.
20. Relations with State, Pentagon, White House. Our relationships with other operating components--the DDO umbrella over the Agency.
21. A need for more or less training. Should career management be a self initiated process?



74-0443

OC-M-74-013

5 FEB 74

MEMORANDUM FOR: Executive Officer, DDM&S
SUBJECT : OC Items, State of the Directorate Meeting
REFERENCE : Your Memo, dtd 29 Jan 74, Same Subject

In response to referenced memo, attached are notes covering Office of Communications accomplishments and challenges.



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Deputy Director of Communications

Attachment



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NOTES ON OFFICE OF COMMUNICATIONS

ACCOMPLISHMENTS AND CHALLENGES

1. The overriding challenge faced by the Office of Communications in the past year has been how to meet increasing demands for communications service in the face of decreasing budgets and personnel cuts. With the overall Agency experiencing similar cuts in money and people it may not be apparent why the demand for communications services continue to rise. The fact is that the reduction in overseas support activities, in such areas as financial and personnel services, has caused an increase in communications volume. Similarly, reductions in travel funds tend to force increased utilization of electrical communications. Additionally, the Mid East crisis has caused a substantial increase in traffic volume related to that area of the world.

2. The vigorous OC program initiated to meet this challenge consists of two elements:

a. Use of automation and advanced technology to meet the increased communications volume without personnel increases; and,

b. Base closures and organizational streamlining, to reduce manning levels to the new lower ceilings.

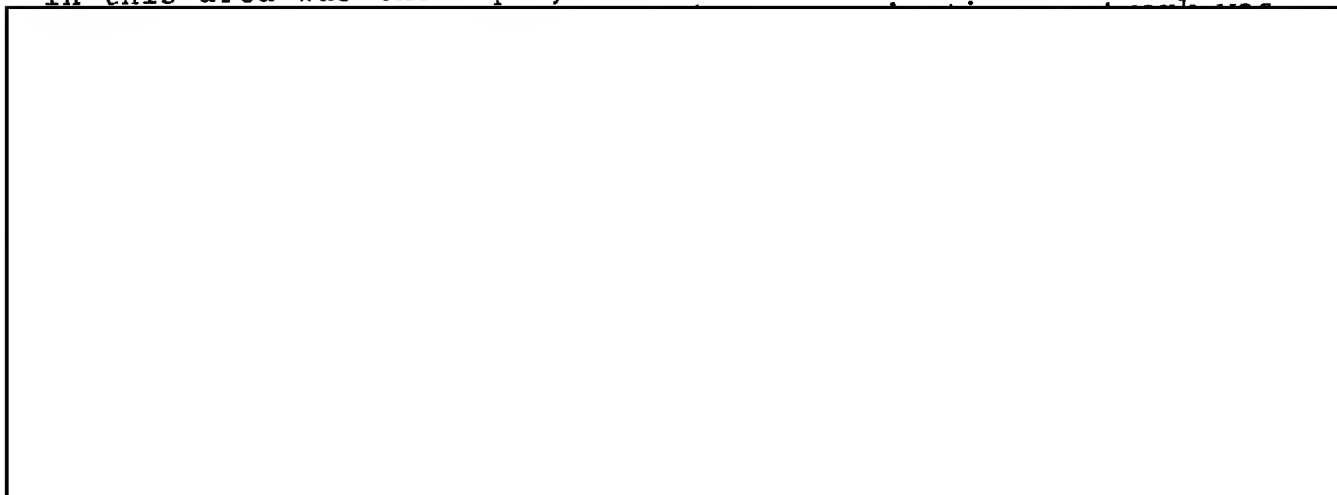
3. During the past year a great deal has been accomplished toward meeting these goals. The highlights of these accomplishments are presented below. An Automated Communications Terminal (ACT) for Headquarters was placed in operation in April 1973. This system automates many of the manual message preparation functions and enables the outward processing of over 85% of Headquarters originated non-project cable traffic with a minimum of manual intervention. It has enabled OC to process increasing volumes of messages and meet unanticipated surges in traffic during crisis situations with no increase in personnel. In late 1973 a new generation automatic message switching system, known as MAX-IA, was activated at [REDACTED] replacing the MAX-I. The new system provides faster operating speeds, increases the number of tributary stations that can be accommodated and is expected to improve overall operating efficiencies. To provide a counterpart to the MAX automatic switching capability for smaller overseas base stations, OC has undertaken the procurement of a small machine known as the Automatic Relay System

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25X1 (ARS). Procurement of the first model was initiated in June 1973
 25X1 with installation at [redacted] scheduled for the second
 quarter of calendar year 1974. Additional systems are programmed
 for [redacted] during 1974. The ARS will substantially
 improve the OC capability to accommodate unexpected surges in
 traffic during crisis periods without manpower increases and will
 provide an emergency backup capability when other communications
 facilities are disrupted. Focusing on the terminal area, OC has
 undertaken a program to procure a Computer Assisted Field
 Terminal (CAFT) to improve the efficiency and responsiveness of
 communications support to CIA field stations. The CAFT is a
 replacement for the electro-mechanical teletype equipment cur-
 rently used and consists of an optical character reader, video
 display unit, high speed printer and mini-computer. It will
 improve the accuracy and productivity of the communications
 operators and will enable them to accommodate surges in traffic
 caused by crisis situations without increasing manpower. The
 prototype model of the CAFT was assembled and tested during 1973
 and service test models will be procured for test during 1974.
 To accommodate the increased volume of data communications in
 support of DDS&T, OC entered into a contract in 1973 for an
 automatic data switching system, known as DATEX. DATEX will be
 installed in Headquarters in 1974 replacing the present manual
 system and will provide the capacity to accommodate future
 increases in traffic volumes without an increase in manpower.

4. New technology has offered OC unique opportunities to
 improve the quality and capacity of our communications services
 without increasing manpower. The most significant achievement
 in this area was the employment of satellite communications.

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5. There were other 1973 OC accomplishments which are also
 worth noting. For example, with a very short lead time, OC was
 able to establish communications support for the [redacted]

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[redacted] Similarly, on very short notice, complete communi-
cations field stations were established at [redacted]
These field stations as well as others in the [redacted]

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[redacted] area have effectively responded to the substantial increase
in communications traffic resulting from the Mid East crisis.
The skills and dedication of OC personnel, some of whom were
working 24 hours per day, were again tested and proven during
this crisis. Also, the responsiveness of the CIA communications
system was repeatedly tested during Dr. Kissinger's many over-
seas trips during 1973. The White House has commended the Agency
on the high quality of communications support to Dr. Kissinger.

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7. The Office of Communications has been able to meet the
challenges of 1973 and record the achievements described above
in the face of diminishing manpower resources. Automation has
enabled us to improve the productivity of communications opera-
tional personnel. During 1973, OC reorganized, eliminating some
middle management positions and reducing the span of control at
the top management level. Some OC functions with their associated
personnel were transferred to other Directorates while other func-
tions with personnel were transferred to OC. Two overseas
communications base stations are being closed out with their
functions being absorbed by other base stations. The net result
of all these actions is a total reduction of OC strength by 401
positions by the end of FY-74.

8. With regard to future challenge for OC, the problem of
meeting increased demands with diminishing resources remains
with us. For example, OC has identified requirements for over
19 additional people to support new overseas stations and the
work loads at existing stations. In addition, with the simul-
taneous squeeze on dollars, it is possible that equipment
procurement programs will need to be reduced. Unfortunately,

the equipment that is included in these programs forms the foundation for the OC automation effort which, in turn, is the basis for the OC program to meet increasing requirements with no increase in manpower. It is becoming clear that in 1974 there may be some tough resource decisions to identify which OC services of lesser priority can be terminated so that those higher priority services can continue.

9. In addition to the resource challenge there are several significant operating and technical challenges facing the Office of Communications in 1974. OC expects to be installing and activating major elements of its automation program during 1974, including the Automatic Relay System (ARS), prototypes of the Computer Assisted Field Terminals (CAFT) and the DATEX switch in Headquarters. In addition, OC will be deep into the design phase of the Cable Dissemination System (CDS) which will automate and vastly improve the cable dissemination functions in Headquarters beginning in 1975. The SKYLINK satellite communications system will be reactivated in early 1974 with a resultant improvement in speed and quality of cable communications. [REDACTED] SKYLINK terminals are expected to be operational by the end of 1974. OC will press [REDACTED]

[REDACTED] satellite so that the benefits of satellite communications can be enjoyed in that area. Secure voice will receive increasing attention. A master plan for upgrading the Agency's secure voice capabilities has been prepared by OC with the first phase to be initiated during 1974. This will include the procurement of improved switching equipment and limited extension of the secure voice capability overseas via the SKYLINK system. The goal is to ultimately make secure voice service available to all Headquarters Staff Officers.

TAB

REF 0/4

MEMORANDUM FOR: Executive Officer to the Deputy Director
for Management and Services

SUBJECT : State of the Directorate Meeting

REFERENCE : Multiple Addressee Memo dtd 29 Jan 74
fm EO-DD/M&S, same subject

1. It goes without saying that the past year has been one of dramatic change, and we suggest this would be an appropriate theme for the DD/M&S address. In the first 6 months, we had the appointment of two Directors, there have been key personnel changes at both the directorate and office levels, two major directorates, the DD/M&S and the DD/O, were renamed to more definitively describe the mission which they are responsible for, and there has been a withdrawal from a major Agency role in paramilitary activities.

2. Aside from these changes, the directorate and the DD/M&S offices have launched the Agency's Management by Objectives program; we in the Office of Logistics (OL) have identified our objectives for FY 1974 through FY 1976 and established milestones for each objective. The milestones are reviewed and progress reports given to the DD/M&S bi-monthly. Another major management initiative was the completion of a functional analysis of OL. This study relates each specific function performed within the Office to manpower and money. The purpose of this exercise was to identify specific functions, determine the costs for performing the functions, decide which could be eliminated and, if required, establish a basis for comparing and measuring our effectiveness in the future. We recently prepared Letters of Instruction (LOI's) on all of our employees. The LOI is intended to give the employee and the supervisor a clear understanding of what is expected of the employee.

3. Other significant Office-level changes and accomplishments that were initiated and/or completed in the past year are as follows:

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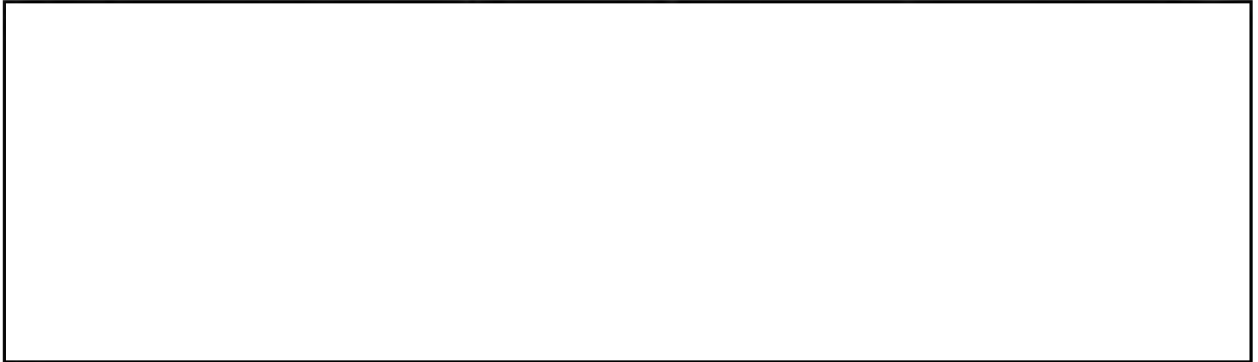
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SECRET

SUBJECT: State of the Directorate Meeting

a. Termination of the Special Projects Unit (SPU):

Our quick-reaction procurement facility, which was located at [redacted] was terminated on 30 June 1973. We continue to provide our overseas stations with a direct mail channel to our Procurement Division which now handles these requirements. There has been no appreciable change in our ability to respond. The closure of SPU resulted in a reduction of six personnel positions.



not been determined. The study offers several alternatives for maintaining logistics support for an Agency para-military capability.

d. Supply Division Reorganization: Effective 4 March 1974, the Supply Division will be reorganized around the commodity management concept, rather than having independent stock control and stock management branches. By the end of the year, Ames Center Building will have its own Data Access Center, and the Inventory Control System will be launched.

4. This year we will be working towards other objectives which will include the following:

a. [redacted] Study: The study, which is still under review, covers current Depot operations. We will be moving ahead on developing the station self-help program, direct vendor delivery of procured items to customers, Blanket Purchase Agreements, and requirements contracts.

SECRET

SUBJECT: State of the Directorate Meeting

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b. Contingency Phaseout: The decision has been made, in coordination with the DD/O, to remove contingency reserve stocks [redacted]. A detailed disposition paper for the closeout will be completed by 29 March 1974, and the stocks will be removed within the year.

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c. Building Planning Staff: Consideration is being given to the possible creation of a staff which will study the feasibility of constructing a new building on the Headquarters compound. The review should lead to the type of building we will hope to construct.

d. Reduction of Career Service Positions (FY 1974): By 30 June 1974, the Logistics Career Service positions will have been reduced from [redacted] a loss of 144 positions in FY 1974. Coincidentally, the OL ceiling has been reduced from [redacted]

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5. In addition, the DD/M&S may wish to comment on the external influences which are impacting on the Agency. The energy crisis and the paper shortage are good examples of economic conditions that are now being felt and will continue to have an effect on us in the future. Energy conservation measures are being implemented. We have recently completed a study on the impact of the paper shortage, and have offered recommendations on conservation measures to the DD/M&S. Another area of interest is the influence other agencies have over some of our activities. The responsibility for managing ADP procurement now rests with GSA. Our ADP procurements are subject to an annual review by GSA. All maintenance of government buildings will become the responsibility of GSA. The Agency will be required to budget for, and pay GSA, the Standard Level User Charges, which GSA will assess us for their services. One final note--in recent months there has been a tendency for the Agency to be more open. Indicative of this openness are the CIA signs which are now posted along the George Washington Memorial Parkway and Route 123. It seems the days of special exemptions for the Agency, at least in some areas of activity, are a thing of the past.

[redacted]
Francis C. van Damme
Director of Logistics

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Director of Personnel

EXTENSION

NO.

DATE

TO: (Officer designation, room number, and building)

DATE

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OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. DD/M&S

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Attached for your consideration are possible items of interest for Mr. Brownman's "State of the Union Message."

F. W. M. Jannéy
Director of Personnel

I. ACCOMPLISHMENTS

Installation of Agency Personnel Management and Evaluation Systems

A major achievement of the Office of Personnel in the past year has been the design and implementation of a common, structured system for Deputy Directors and Senior Operating Officials to formally plan and present their advance personnel management planning. The Annual Personnel Plan and the Personnel Development Program are the products of Mr. Colby's interest, as the Executive Director-Comptroller and as the Director of Central Intelligence, in advance planning for effective personnel management and of his intention to follow the Federal government guidelines for executive development. APP and PDP are so designed that top management will be able to review the various personnel management plans, monitor the patterns of progress toward their accomplishment and finally to evaluate the effectiveness of the implementation.

Annual Personnel Plan (APP)

The initial APP for FY 73/74 has been consolidated and analyzed for Agency Management Committee review. It covers major areas of manpower responsibility, including items such as promotion schedules, training, EEO, separation/retirements, desired new personnel input, and change of required skills. While at this stage it is a beginning effort and subject to various revisions, it is a serious start toward a more uniform and orderly approach to the development and management of the Agency's personnel assets.

Personnel Development Program (PDP)

The PDP is designed to track with the guidelines of the Federal Government Executive Development program, though the Agency plan is to eventually extend its scope to more junior graded personnel. At present it focuses on the identification of requirements for replacements at the executive levels and the identification of individuals with the potential to fill those requirements. It further evaluates those individuals in terms of the training and experience needed to qualify for executive assignment and sets time frames for the accomplishment of the developmental activities. The individual PDP's are also reviewed and monitored by the Agency Management Committee.

II. LOOKING TO THE FUTURE

- o Implementation in FY 74-75 within the Directorate of "New Approaches to Personnel Management"

DDM&S planning, impact, changes foreseen, emphasis, etc. as regards implementation of the Agency Management Committee's approval in

January 1974 of the recommendations contained in the "New Approaches to Agency Personnel Management" paper.

o Prospects for ADP Applications

Assuming that the primary MAPS projects will continue to be developed through FY 1975, provide a prospectus on ADP capabilities to develop other administrative/managerial applications in FY 1975.

Steps taken in last several months to increase number of black applicants and speed up internal time consumed in shopping and processing.

EXTERNAL

1. All field recruiters have been directed to significantly increase the percentage of their total time devoted to black recruiting.

2. The recruiters have been directed to widen their contacts in the black community and to develop and cultivate new lead sources.

3. We have sharply increased our advertising in black publications.

4. We have made a contract offer to a 28-year-old black man with a Ph.D. to help us develop a better and long-lasting minority recruitment program with emphasis on black applicants.

INTERNAL

1. The Deputy Directors see all black applicant files referred to their Directorates.

2. Each black applicant file has a priority card on it.

3. A black applicant file is duplicated and sent simultaneously to more than one Directorate, if warranted by an applicants qualifications.

4. PATB (test) results are not included in a black applicant file. Interested customers are referred to OMS/PSS for a complete analysis of those results.

5. All black applicant files are seen by the Deputy Director of Personnel, the Deputy Director of Personnel for Recruitment and Placement, and the Director, EEO before a reject letter is sent out or at the time a black applicant is put "in process".

6. All black applicant cases put "in process" are individually monitored on a case-by-case basis to minimize delays.

Retirements

(CY 1973)

Actual Retirements:

CIARDS	541
Civil Service	559
Total	1100

The exit processing of these employees was accomplished in a very orderly fashion.

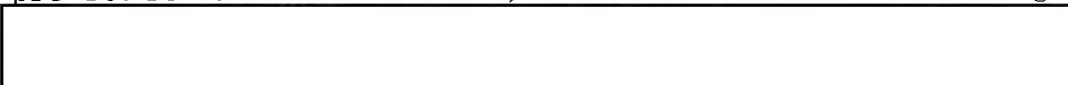
Average Ages of Retirees:

CIARDS	53+
Civil Service	55+
Combined Agency Average	54+

External Employment

1. In 1973 a total of 488 persons availed themselves of our external employment assistance. Of this total, 262 wanted and were furnished "one shot" services such as resumes or employment counseling, or both. A total of 226 were serious job hunters who remained in contact with our "out placement" people, and of these we were able to get jobs for 128. The remaining 98 are either still active job seekers or register intermittent, though continuing interest.

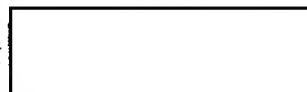
2. As regards pre-retirement services, during CY 1973 a total of 1014 pre-retirement counseling sessions were held at Headquarters. One Retirement Information Seminar was held at Headquarters for four mornings, with about 280 persons in attendance each morning. Regional pre-retirement mini Seminars, as well as individual counseling sessions,

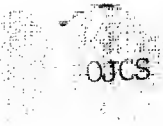


Insurance

Procedures for payroll deductions of insurance premiums for vouchered employees were finalized during the year and became effective the first pay period of August 1973. This involved approximately 3,000 of the employees enrolled in UBLIC and 800 of those enrolled in WAEPA.

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OJCS-128-74

6 FEB 1974

MEMORANDUM FOR: Deputy Director for Management
and Services

FROM : Director of Joint Computer Support

SUBJECT : State of the Directorate Meeting

REFERENCE : Memo to D/OJCS from EO/DDM&S
dtd 29 Jan 1974, same subject
(DD/M&S 74-0322)

Forwarded herewith is OJCS material for the
State of the Directorate Meeting, 15 March 1974.



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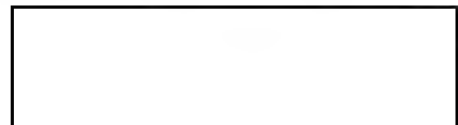
HARRY E. FITZWATER
Director of Joint Computer Support

Attachment: a/s

Distribution:

- O + 1 - adse
- 1 - Div/Staff Chiefs, OJCS
- 1 - OJCS Registry
- 2 - O/D/OJCS

This document becomes UNCLASSIFIED
when separated from attachment.



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6 February 1974

OFFICE OF JOINT COMPUTER SUPPORT
Notes for State of the Directorate Meeting

A. HIGHLIGHTS OF OJCS ACTIVITY DURING CALENDAR YEAR 1973

1. Organizational Changes

a. There were a number of organizational changes affecting the Office. On 1 April 1973 the name was changed from Office of Computer Services to Office of Joint Computer Support and the Office was transferred from the Directorate of Science and Technology to the Directorate of Management and Services.

b. On 28 April 1973 [] DD/OJCS, returned from a two year special training assignment at []
[] Mr. Brownman, DD/M&S, immediately gave him direct responsibility for implementing the SIPS Program (Support Information Processing System) which was renamed MAP (Management Assistance Programs). The objective here was to reevaluate priorities for MAP applications with DD/M&S Office Directors and to expedite action to bring these applications to operational status. Regular monthly meetings were established with each DD/M&S Office and the DD/^{M&S}~~SEC~~ to review progress and plans.

c. In July 1973, we completed a reorganization of OJCS. In summary, this consisted of:

- Consolidation of the three applications divisions into a single Applications Division under the direction of []

- Establishment of a Systems Engineering Division for development of Computer Center systems - software and hardware - under []

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25X1 - Reduction of the Operations Division functions to the installation and operation of the computer system -
 [] was named Chief of the Division.

25X1 - Establishment of a User Support Division under David
 [] for training and user assistance.

 d. On 26 November 1973 Mr. John D. Iams, D/OJCS, was reassigned to Comptroller, CIA.

 e. On 17 December 1973 Mr. Harry E. Fitzwater, DD/OEL, was reassigned to Director, OJCS.

2. Consolidation of CRS Computer Processing in OJCS

 The DCI ordered the consolidation of CRS computer processing activities in OJCS. By November 1973 this had been accomplished. CRS operators and systems programmers were transferred to OJCS, some remote input/output equipment was retained in CRS to facilitate batch processing, CRS computer terminals were switched to OJCS computers, and the CRS IBM 360/155 was released. Estimated savings were \$1,000,000 per year and 10 positions.

3. Computer Center

 Literally hundreds of changes were made in the computer systems to increase capacity for new requirements, to improve the quality of service, and to reduce costs for various computer components such as disk storage, memory, and data communications controllers. The most significant activities were:

- Discontinued the RCA Spectra 70-45 computer system in January 1973.
- Released 2 million bytes of AMPEX low-speed core storage and installed 4 million bytes of Control Data Corporation high-speed core storage.
- Stopped installations of 2314-like disk storage devices (capacity 28 million bytes per spindle). Began to extend the use of 3330-like disk storage devices (capacity 100 million bytes per spindle) beyond the 360/195 computer to 360/65s and

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360/67s. This required the acquisition of block multiplexors and disk storage devices from Control Data Corporation.

- Stepped up installation of Delta Data Display Terminals as a replacement for IBM 2260 Display Terminals. This replacement program is intended to overcome problems that the Office of Communications was experiencing with the installation of 2260 Display Terminals.
- Increased the number of remote terminal devices from 150 at the beginning of 1973 to 250 at the end of the year. Only 150 terminals had been installed during the previous five years. Terminals include: Remote Job Entry systems with high-speed line printers and card readers; displays (CRT); typewriters; low-speed printers; and several sophisticated systems such as the BR-90 (display with film overlay) and image enhancement systems.
- Discontinued the ANDI system (analog data to digital data conversion).
- Arranged for transfer of Computer Output Microfilm Equipment (Datagraphix 4360) to Printing Services Division, effective January 1974. During 1973 OJCS recorded 2.5 million pages of data directly on film with this equipment. Over nine million pages of microfilm copy were made from the original film by PSD. This is equivalent to 5000 cartons of computer paper.
- Placed IBM input/output devices (tape drives, printers, card readers and punches) on two-year fixed term rental, thereby saving \$240,000 in rentals in FY 1974.

4. Management and Administration

a. We developed and began to use a system for allocating computer resources to user offices to improve the user's management and control of these expensive resources.

b. We began work with Management by Objectives concepts to improve productivity and resource management. Some 18 Office-level objectives were established.

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c. We conducted a review of Office functions. Forty-one functions were identified and prioritized. We used this as a basis for distributing the Office ceiling to the reorganized Divisions and for analyzing the impact of reduced manpower resources on the Office.

d. We acquired several software packages for measuring computer performance and began to use these to analyze the impact of various jobs on the components and functions of the computer system. These techniques enable us to make changes in system software, applications programs, and the configuration of the computer systems for improved operating efficiency.

e. In March 1973 we completed a short-range computer systems plan through FY 1974. During the latter part of 1973 we began development of a longer-range system plan to cover the period 1974-1978. We expect to complete this plan in March 1974.

f. We began preliminary discussions with DD/O/ISG concerning our assumption of management responsibility for its computer operations by early spring 1974.

g. At the request of the Office of General Counsel, we conducted an extensive review of our files for documents of interest to the Justice Department and IBM in recent court actions.

h. We began action on two fronts to reduce the amount of programmer resources used in on-going computer programs: (a) we asked the users to take responsibility for managing the regular processing requests for computer programs that are fully documented and operational, and (b) we announced a policy for modifying operational programs at three month intervals only, except for essential changes that must be done immediately.

i. In addition to many special ADP courses for professionals, we conducted a special after-hours course in computer fundamentals for a group of 76 non-computer personnel.

5. Technical Support to Other Offices with Computer Interests

a. We spent considerable time with NPIC providing technical advice and counsel on its plans and RFP for a new computer system.

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b. We worked with the Office of Communications in its plans for a Cable Dissemination System.



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6. Computer System Development

We developed the specifications and negotiated a contract for a mass storage system capable of storing a trillion bits of data on-line--about three times the amount of data now stored on magnetic tape and magnetic disks. This system should reduce manual effort in the Computer Center, speed up access to data, and improve security of data. The initial system should be operational by June 1975. Total contract cost for the final system is approximately \$3 million.

7. New Computer Programs and Applications

While not intended as a complete list of computer programs and applications developed during 1973, the following illustrates activity in the Applications Division.

a. A new payroll system was brought into operational status in May which combined two existing systems. The new system provided many new facilities for our employees.

b. A new interactive budget system was completed in December 1973, and will be used for the complete budget cycle. The system provided a wide range of query and reporting capabilities.

c. A system to maintain centralized records of Agency credentials was completed in August 1973.

d. A stock catalog system containing 27,000 line items was made operational in July. This system provides on-line query facilities. In October, a manufacturer's part number file containing 28,000 items was added to cross reference the stock catalog.

e. In October, the complete Personnel Statistical Master file was redesigned to permit on-line queries.

f. In June, the contract information system, CONIF-II, was operational. This system contained 12,000 basic contracts and

28,000 work orders, task orders and amendments. It is used to monitor all Agency contracts and to aid the Office of Logistics in contract management.

g. An automated report distribution system was developed for the Data Access Centers. This produced mailing lists and address stickers for 600 reports and 250 report recipients in October.

h. We extended the capabilities of the antenna analysis program, BIGANT, to model a parabolic reflector.

i. We developed a capability to model an ELINT collection system and its environment. The simulator was employed to define a family of radar emitters and to estimate the collector's ability to intercept and identify the emitters.

j. We completed the first phase of a software system to study satellite-antisatellite scenarios.

k. We continued development of tools for the analysis of foreign vehicle and missile events.

l. Installed a software system, TACOS, to simulate the engagement between a large air offense and defense.

B. CHALLENGES FOR THE DIRECTORATE

1. Making the Management by Objectives system a truly useful and accepted process at all levels of management.

2. Determining the point at which reductions in personnel and funds become a failure to carry out mission and function instead of an elimination of inappropriate activities and unnecessary personnel.

3. Better testing of policy and procedures for various management systems (LOI's, Reviews of Office Functions, Fitness Reports, MBO, Programming, etc.) before implementing these management systems on a broad scale. More uniform implementation of these systems across Directorates.

4. Reducing administrative paperwork.

5. Inspiring creativeness and productivity among employees during periods of intense organizational upheaval and continuing resource reductions.

C. CHALLENGES FOR OJCS

The National Bureau of Standards has an important role in the Government's development of computer technology. We would agree with NBS in its statement of the major computer problems to be solved:

"Computer Problems to be Solved. Although the advance of computer hardware technology has been revolutionary, our ability to apply the technology effectively has not kept pace. Efforts to exploit the full potential of the computer are often impeded by serious, costly problems related to: the lack of computer security procedures, an inability to efficiently produce high-quality software, the lack of adequate standards, an uneven and insufficient diffusion of computer technology, the difficulty and expense of developing specific applications, the lack of effective methods for measuring computer system performance and the quality of services.

"These are pervasive problems that affect the public and the private sectors alike."

Excerpt from "NBS Decisions",
December 1973.



12 FEB 1974

MEMORANDUM FOR: Executive Officer to the Deputy Director
for Management and Services

SUBJECT : State of the Directorate Meeting

REFERENCE : DD/M&S 74-0322 dated 29 January 1974

1. Pursuant to your request of 29 January 1974 for comments, thoughts or suggestions on items which should be covered in the scheduled 15 March 1974 meeting, the following items are submitted:

a. Management by Objectives (MBO)

This topic could cover the basic principles and objectives of MBO and how it is being applied in the Directorate.

b. Highlights of the DD/M&S Offices' Reorganizations

It could be pointed out that consolidation of the old Personnel Security Directorate and the Investigations and Operational Support Directorate resulted in increased efficiency by eliminating duplication.

c. Autoscan'

The Autoscan Phase III System permits the interception of radio transmissions for the purpose of identifying clandestine transmitters.

d. Badge Machine

e. The Surplus Exercise

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f. The Impact of the Energy Crisis

g. Security Container Modification Program

This involves a world-wide modification of
safekeeping equipment over a four-month period to
correct [REDACTED]

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h. [REDACTED]

i. Countering the Terrorist Threat

2. If you so desire, we will submit briefing papers
on any of the items listed above.

[REDACTED]

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Howard S. [REDACTED]
Director of Security


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TAB

6 FEB 1974

MEMORANDUM FOR: Deputy Director for Management and Services
SUBJECT : Office of Training Contribution to the State
of the Directorate Meeting

Attached is some information on changes, accomplishments,
reorganization and new directions in the Office of Training
which you may find useful in your 15 March State of the
Directorate Message.


Alfonso Rodriguez
Director of Training

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ADMINISTRATIVE - INTERNAL USE ONLY

Office of Training Contribution to the
State of the Directorate Presentation

1. The past year, 1973, was a year of substantial change for the Office of Training. In midyear a new DTR, Alfonso Rodriguez, was appointed and at the turn of the year a new DDTR, [redacted] was appointed.

2. During the summer and fall a major reorganization of the Office took place. The principal objectives of the reorganization were:

- (a) To reduce the number of components reporting directly to the DTR (formerly 11 Units reported directly -- eight do so at present).
- (b) To acknowledge the "one Agency" concept. (This was achieved by the creation of a Functional Training Division bringing together most of the skills training; and combining most of the orientation programs in the new Intelligence Institute. The old Language School was renamed the Language Learning Center.)
- (c) To determine the appropriate curriculum for the Office of Training and terminate those courses which were not providing maximum impact. (As a result, some 15 courses were dropped and a number of operations courses transferred to the [redacted] in order to make better use of instructors.)
- (d) To stress the importance of applying up-to-date educational methodology to the training process. (The instructional development activity of OTR was brought into a new Plans and Development Staff under the direction of a senior experienced training officer.)

3. During 1973 OTR lost about [redacted] MT careerists or in excess of 20% of its professional cadre. The majority of these instructors had been engaged in operations training.

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4. Changes in direction in the Agency mission and reduction in size resulted in a somewhat reduced flow of students through OTR. This change was particularly noted in the field of paramilitary training, leaving OTR with a surplus of instructors in this category. However, with the increase in terrorist activities abroad, most of these instructors have been put to good use in counterterrorist training involving defensive driving and small arms training. The OTR also increased its support to the Agency program to combat illicit international narcotics activity.

5. Recently OTR hired two senior retired Agency officers to inquire into the training provided intelligence analysts and to redesign our present program for analysts. Since CIA acquired the information science training program formerly offered by DIA, this community-wide program has had heavy enrollments.

6. During FY 73 the Agency briefing program reached an audience of over 7,000 persons from other agencies, schools and civic organizations. A new Guest Speaker program was launched with Professors Zbigniew Brzezinski and Lincoln Bloomfield, Ambassador Ellsworth Bunker, and Mr. Peter Peterson as distinguished guests.

7. In the language training area we expanded our self-study program and offered new part-time language training in the Headquarters building. We conducted a successful four-week total immersion course in Russian [] for officers already possessing advanced skills in the language. We are planning two more such total immersion programs in French and Spanish.

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8. We began a self-study program which makes video and audio cassettes available to organizations and individuals in the Agency. At the present time most of the programs are in the management field but we hope to expand into other areas as well. We now have five video programs and 11 audio programs. An off campus, that is, on -- CIA premises, after-hours-college training program was begun in conjunction with the University of Virginia's School for Continuing Education. In the fall semester 261 students were enrolled and there were 274 students during the spring semester. All of the instructors are Agency employees approved by the University of Virginia.

9. The Career Training Program experienced an increase in its activities primarily in response to the loss of large numbers of Agency personnel through retirement. In order to increase the efficiency of the Program, the CTP officers are now interviewing in the field rather than exclusively in Washington. We estimate a saving of over \$20,000 in travel costs alone. The Program has made an intensive effort to recruit CTs with good language skills. If we were to compute the cost of giving language training to CTs in the last four classes equivalent to that which they brought to the Agency, it would cost us about \$1,600,000.

10. In the technical field we are planning to expand our video taping capability so that we can make color productions in our studio as well as in classrooms. Our film technicians have assisted in the production of a number of Agency films such as the auditorium presentations of [] and the DCI's State of the Agency Address. They also prepared a comprehensive 35 millimeter slide presentation on the DDO computer based STAR system.

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11. In FY 73 approximately 3,000 people were sponsored for a wide variety of external training programs, including full-time academic training, courses at other government schools and at other schools. About 5% of the total were enrolled in correspondence courses. Some 88 officers were selected by the Training Selection Board for participation in such senior programs as the National War College, Army War College, Federal Executive Institute, and others.

12. We have recently moved the clerical training faculty from the Ames Building to the Chamber of Commerce Building and plan later this spring to move the Agent and Liaison Training unit, now in Rosslyn, to the Chamber of Commerce Building.

13. For the future, we are planning the establishment of a Word Processing Center, hopefully this summer. We are also giving serious consideration to constructing our curriculum on a modular basis. These modules will make available to the student those units of instruction which he needs in a range of courses from the collection of intelligence, through the production of intelligence, to the management of intelligence resources. We are also looking ahead to augmenting our training for the DDO officers in economics and systems analysis.

TAB

5 February 1974

MEMORANDUM FOR: Deputy Director for Management and Services
SUBJECT : State of the Directorate Meeting
REFERENCE : Memorandum from EO-DD/M&S, dated 29 Jan 74,
subject as above

As requested, the following selected items are suggested for consideration for the planned State of the Directorate Meeting.

a. Accomplishments -- In general services were expanded despite reduced resources.

(1) Management assistance:

(a) Attitude surveys -- MG Career Service survey completed; surveys underway in OF and OER.

(b) Assessment Centers -- Under development in OJCS; under discussion in other offices.

(c) Contributions to Management Training -- presentations in Office Management and Advanced Management Courses.

(d) Exploration of consultant relationships useful to Management -- e.g., [redacted]

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(e) Research studies on effective selection and utilization of personnel -- studies completed in OSR/DDI and [redacted] DDO; studies underway [redacted] NPIC, and OTR.

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(f) Establishment of an A-DD/M&S chaired group comprised of OP, OTR and OMS representatives to focus on management developments.

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31 December 1980

SUBJECT: State of the Directorate Meeting

(2) Behavioral Sciences:

Continuing activities of the OMS Committee for the Behavioral and Social Sciences in seeking to place these disciplines at the disposal of the Agency.

(3) Multiphasic Testing and Periodic Health Examination Program:

Program launched in October 1973 with purpose of providing periodic clinical screening, and physical examination when indicated, for employees not otherwise seen by OMS on any periodic basis. This new program was initiated with only modest increases in non-staff resources and despite increases in other clinical activities such as Medical Disability Retirement evaluations.

b. Challenges for the Future -- In general this amounts to doing more with less resources.

(1) Selection: New emphasis on the need for proper selection and assignment of personnel.

(2) Management assistance: New emphasis on proper utilization, development and training of personnel.

(3) Substantive intelligence: Exploitation of new opportunities for M&S and OMS contributions to intelligence production, e.g., new technical advisory role of OMS to LSD/OSI.

(4) Proper organization: Reorganization as appropriate to accept these new challenges.



JOHN R. TIETJEN, M.D.
Director of Medical Services

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15 FEB 1974

MEMORANDUM FOR: Deputy Director for Management and Services

SUBJECT : State of the Directorate Meeting

REFERENCE : Memo for Multiple Addressees fm EO-DD/M&S
dtd 29 Jan 74, same subject

1. I believe it would be appropriate in these times of tight and diminishing resources to point out to the assembled DDM&S careerists the need for better and more timely financial information which top management needs for control of financial resources and as a planning tool for the future. The role of the finance and budget officer becomes increasingly vital in today's world of limited resources. The finance/budget officer must not only be familiar with budgeting procedures and budgeting cycles but must become thoroughly familiar with the type of information he can get through the financial system (including computer outputs) to assist him in his role as financial adviser to top management.

2. As an example, some people in top management are still not familiar with the change in limitations of military appropriations in respect to fiscal year restrictions and types, i.e., R&D Procurement and O&M. It is up to the finance/budget officer to remind and explain to management who are concerned with joint projects with the military the strict fiscal year limitations that Congress has now put on military appropriations. The fact that there is no longer no year money for procurement or RDT&E in the military has caused some embarrassing situations for other agencies who are not fully aware of these legal limitations.

3. It is also suggested that such topics as ceilings, on-duty strength and the possibilities of a reduction in force as of 30 June 1975 and 30 June 1976 might be of vital interest to the DDM&S careerists. The Directorate's overseas posture and what it looks like for the future would also be interesting to the M&S careerists.

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SUBJECT: State of the Directorate Meeting

4. With regard to accomplishments in the past year, mention might be made of the approved use of inbound commuted travel allowance tables for determining reimbursement entitlements for most PCS moves to Headquarters from posts abroad via home leave points, and for home travel between consecutive trips abroad. Use of these tables can simplify travel voucher preparation and the audit process.

5. The initial running of the Information Science for Financial Management course was held from 26 November through 21 December 1973, receiving high praise from all participants.

6. The Key Building Data Access Center is nearing completion. Capabilities will include a remote job entry station which will be used initially for certain payroll and general accounting applications. Computer terminals will also be installed that will access the OJCS systems.

7. Last, but not least, the new payroll system was implemented during the past year.



Thomas B. Yale
Director of Finance

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TAB

5 February 1974

MEMORANDUM FOR: Executive Officer, DDM&S

SUBJECT : State of the Directorate Meeting

REFERENCE : DDM&S 74-322

1. With regard to the DDM&S' meeting of 15 March 1974 to discuss the state of the Directorate, I have conducted a sampling of Staff personnel to determine the direction of their interest.

2. In terms of the Directorate as a whole, the keenest interest, expressed in several different ways, is the question of how the Agency is managed. This is phrased as, "Can M&S serve as a management focal point without the Comptroller?"; "How much management is left in the M of M&S?"; "Is the Agency organization absurd?"

3. Also of significance is the question of the size of the Directorate in the future, and the effect that a reduction in personnel would have upon the missions and functions of the Directorate. Tied in with this is an expression that the management meeting would be a good forum from which to project any potential Directorate reorganizations.

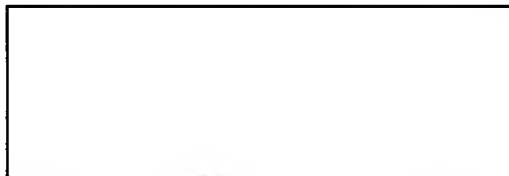
4. There are two other areas which are directly related to personnel management. The one is--what is the impression to the individual of the establishment of a single career service? The second one is--what is the direction of the Directorate in its application of the spirit of the Equal Employment Opportunities Act?

5. The DDM&S might see fit to comment upon the effort to manage information resources by centralizing technical support into copying centers and word processing centers.

- 2 -

These will still be largely potential rather than kinetic at the time of his address, but he may wish to call attention to them as future techniques. The first experimental copying center should be in operation by March 15. The experimental word processing centers will be well into the planning stage but will not actually begin operation until FY 1975.

6. The DDM&S may also wish to mention some of our resource problems such as the shortage of paper, the manpower resources involved in the implementation of the review portion of EO 11652, and the need to do more with less.



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Chief, Information Systems Analysis Staff

74-0627

GENERAL SERVICES ADMINISTRATION

Office of Federal Management Policy

Washington, DC 20405



FEB 15 1974

DD/MOP Registry
File *Mutings*

Mr. Harold Brownman
Deputy Director for Support
Central Intelligence Agency
Washington, DC 20505

Dear Mr. Brownman:

Representatives of Agency Assistant Secretaries for Administration and Comparable Officials met on February 7, 1974, to discuss productivity and, specifically, capital investment opportunities and possibilities in the Federal sector. The meeting was held in the Board Room of the National Science Foundation.

Dwight Ink, Deputy Administrator of the General Services Administration, expressed a continuing interest in the progress of the Joint Financial Management Improvement Project and welcomed the Agency Representatives to the meeting. After introducing the speakers, he asked Tom Morris, Assistant Comptroller General of the United States, to inform the representatives on the productivity effort to date and summarize the presentation made to the Joint Economic Committee on December 17, 1973.

Don Kull, Executive Director of the Joint Financial Management Improvement Program, discussed the role of that joint effort in promoting the development and use of improved financial management systems. He referred to the annual review of productivity data as an important function of the JFMIP, and he mentioned that the JFMIP was presently conducting productivity workshops in several different functional areas.

Capital investment opportunities in the Federal sector were then discussed by Gordon Yamada, Director of the Office of Management Systems and Special Projects. Agencies were notified that in the near future GSA would request from them identification of productivity-enhancing capital investments. GSA will coordinate this information and communicate it to all agencies.

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DD/M&S Registry
File *Meetings*

DD/M&S 74-0071

17 JAN 1974

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Joint Computer Support
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

SUBJECT : Monthly DD/M&S Staff Meeting

1. It appears to me there may be merit in our instituting a monthly general staff meeting to be attended by all Office Heads and their Deputies. Our daily morning meetings, as we all know, are designed primarily to discuss matters of immediate currency and serve as an aid to me for my attendance at the DCI 9:00 a.m. daily meeting. Therefore, this monthly meeting may give us all a good opportunity to discuss matters of general interest and general applicability as such matters pertain to the Directorate itself or to the Agency.

2. I would urge you to give some thought prior to your attendance so that meaningful participation is had by all. I propose to do my own homework and bring up items for discussion. It may be eventually that such sessions would involve the preparation of an agenda and, secondly, it may be in order that individual Offices could give presentations on matters they believe to be of general interest to all of us.

3. We will schedule these meetings for 4:00 p.m. on the last working Friday of each month. Accordingly, the first such meeting will be held in the DD/M&S Conference Room at 4:00 p.m. on Friday, 25 January 1974.

/s/ Harold L. Brownman

HAROLD L. BROWNMAN
Deputy Director
for
Management and Services

Distribution: 1 - JFB Chrono
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ADD/M&S:JFB/ms (9 Jan 1974)

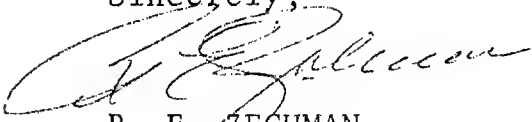
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Concurrently, GSA will study alternate capital investment financing techniques. Resulting recommendations will be discussed with OMB for further appropriate action.

A copy of the visuals used in the presentations by Messrs. Morris, Kull, and Yamada are enclosed for your information.

Sincerely,

A handwritten signature in dark ink, appearing to read 'R. E. Zechman', written over a horizontal line.

R. E. ZECHMAN
Acting Associate Administrator

Enclosure

DD/M&S Registry
File *Meetings*

10 JAN 1974

MEMORANDUM FOR:

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This is an informal memorandum to establish a scheduled but informal session amongst all of us in my office on a weekly basis. You will note that even the manner of addressing is informal, both because the bureaucratic titles would consume too much space and may be subject to misinterpretation on a hierarchical basis.

If the recommended time poses no problems because of other regularly scheduled meetings you must attend, I would suggest we meet in my office every Thursday afternoon at 2:00 p.m. Accordingly, our initial session will be on Thursday, 17 January.

I believe the purpose of the exercise is self-explanatory and I feel no need at the moment for agendas or any particular prior preparation.

JFB
John F. Blake

ADD/M&S:JFB/ms (10 Jan 74)

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